

**PROGRAM GUIDELINES:
C-PACER PROGRAM**

**The Metropolitan Government of Nashville
and Davidson County, Tennessee**

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I. Introduction

ABOUT C-PACER

In 2021, the Tennessee State legislature passed C-PACE enabling legislation, HB 667. This legislation allows counties to establish Commercial Property Assessed Clean Energy and Resilience (C-PACER) programs. The legislation emphasized allowing resilience improvements, adding an “R” to the popular acronym. C-PACER allows property owners to access financing for qualifying energy efficiency, renewable energy, water conservation, and resiliency improvements for qualifying buildings. Improvements made to reduce lead in drinking water also qualify as improvements.

In [REDACTED], The Metropolitan Government of Nashville and Davidson County (the “County” or “Metro”) established a Commercial Property Assessed Clean Energy and Resiliency (“C-PACER”) financing program (the “C-PACER Program” or the “Program”) under Tennessee Code Annotated 68-205-101 et seq. (the “C-PACER Act”). The C-PACER Program allows owners of eligible commercial property to obtain long-term financing from private lenders (or “capital providers”) for certain qualified clean energy and resiliency improvements. Participating property owners repay the financing through voluntary special assessments placed on their properties through recording of a lien, which are billed and collected as part of their annual property tax bills and then remitted to the private lender. This approach to financing has been used by programs like C-PACER on thousands of properties in more than 24 states and the District of Columbia.

Creating a county C-PACER program consists of the following steps: first, a county adopts an ordinance and guidelines that govern how its C-PACER program works. Second, since the repayment of the C-PACER financing is between a private lender and a property owner that is secured by the government’s special assessment lien filed against the property, a county reviews the C-PACER application for compliance with the C-PACER state law and local program guidelines, and then records a unique agreement that includes the acknowledgment of a special property “assessment” by the county.

In Tennessee, C-PACER financing is available in four categories: energy efficiency, renewable energy, water conservation, and resiliency improvements. Improvements that reduce greenhouse gas emissions would qualify, provided that the improvements also conserve energy or result in renewable energy improvements. A C-PACER loan is paid back over an extended period of time and is secured by a senior lien on the property that has the same priority as a government’s property tax lien. Like other assessments, C-PACER financing is non-accelerating, which means only current or past due payments can be collected, while future payments are the responsibility of whomever owns the property at the time. The C-PACER repayment obligation transfers automatically to the next owner if the property is sold.

While the Metropolitan Trustee administers Nashville’s program, Metro Government does not have any responsibility for C-PACER financing, other than imposition of the C-PACER voluntary special assessment per the assessment agreement, collection and remittance of the financing installment payments to the capital provider, and enforcement of the special assessment lien if a payment is delinquent.

Metro’s right to enforce and collect its property taxes is unaffected by the enactment of a C-PACER program. Property owners with C-PACER special assessments are still required to annually pay their property taxes when due. If they do not, Metro can file a delinquent tax lawsuit, as it normally would, to have the property sold to collect the past-due tax debt. The tax sale purchaser who becomes the new owner

would then be responsible for paying future property taxes on the property and any remaining C-PACER special assessments owed under the assessment and financing agreements. Additionally, the C-PACER assessment agreement between Metro and the property owner will require that payments received by the Metropolitan Trustee will first be applied to any property taxes (or other non-C-PACER assessments) owed on the property at the time of such payment before any payments are sent to the capital provider.

The program exists as a function of Tennessee's C-PACER legislation and the rules established by Metro. No change in the program or in Tennessee's C-PACER legislation will affect a property owner's obligations to pay property taxes, or C-PACER assessments incurred under the Program prior to such changes.

TN-PACER Program Guidebook

Metro Nashville developed these program guidelines and associated forms based on the TN-PACER Program Guidebook, which was developed to help counties launch C-PACER programs. The TN-PACER Guidebook and related model materials are available at no cost to counties to use and adopt.

Davidson County C-PACER Program Guidelines

In this document you can find information about:

- Statutory and programmatic eligibility requirements for C-PACER properties and projects in Tennessee and Davidson County
- Process for applying for C-PACER project approval

II. Benefits of C-PACER

C-PACER offers benefits to building owners, developers, municipalities, mortgage holders, and building professionals. This includes environmental benefits, cost savings, local jobs, and high-performing building stock that result in a stronger and healthier community.

For Building Owners and Developers: One of the biggest barriers to converting potential projects to completed projects for efficiency and resiliency upgrades are the up-front cost of the types of measures identified in the C-PACER statutes as qualifying improvements. C-PACER financing typically requires little up-front investment, and qualifying improvements improve property value. Energy efficiency measures, in particular, also lower operating costs. In addition, C-PACER financing has the following benefits:

- **Up to 100%, long-term financing.** Many owners lack the capital to complete efficiency and resiliency improvements. All direct and indirect costs incidental to the qualified improvements can be wrapped into C-PACER financing.
- **Transferrable upon sale.** Some owners may want to sell the building before the financing is repaid. The C-PACER lien and assessment are attached to the property and transfers to the new owner.
- **Cash flow benefits.** C-PACER financing may be repaid over the useful life of the improvements, which because of the long-term financing options can have positive effects on cash flow.

For Energy Auditors, Architects, Building Engineers, and Contractors: By allowing a property owner to access 100% up-front financing for longer terms than are typically available for conventional financing, more substantial efficiency and resiliency improvements are now more affordable with C-PACER. Energy

auditors, architects, engineers, and contractors can suggest C-PACER financing as a way for their clients to implement needed energy or resiliency upgrades that might otherwise be unaffordable. Since the demand for building efficiency and resiliency improvements will increase in a C-PACER-enabled jurisdiction, C-PACER is a powerful business growth catalyst for building professionals like energy auditors and contractors.

For Counties: C-PACER is an economic development tool. By making it more affordable for building owners to make major improvements to their buildings, local building stock value can be enhanced, and more jobs are created. Energy and resiliency upgrades create a more competitive environment for retaining and attracting new businesses by lowering energy costs and improving the structural soundness of buildings. Upgraded buildings can generate higher property tax payments for the county. Energy upgrades also typically reduce greenhouse gases and other pollutants, which facilitates adherence to county or state climate action plans or goals.

For Existing Lien Holders: C-PACER improvements can enhance property value and typically improve a building's longevity, thereby reducing the risk of property value decline over time. In addition, C-PACER financing is non-accelerating, meaning only current or past due annual payments can be collected each year while future payments stay with the property. As such, existing mortgage holders see their collateral improved without substantial increase in credit risk and with only a modest impact on lien priority. C-PACER financing is not permitted without the consent of all existing lien holders and, under certain circumstances, the holders of certain other obligations encumbering commercial residential property.



Reducing energy consumption means fewer environmental impacts with property operation.

11 million metric tons of carbon avoided and 36 billion kilowatt-hours energy saved nationally since the inception of PACER funding¹



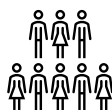
Efficient buildings cost less to heat, cool, and operate. This results in cost savings for properties and redirection of resources to other needs.

~**20%** return on investment for energy efficiency upgrades²



Higher performing properties results in increased value of commercial building stock.

Buildings with energy-efficient improvements have an average **16.5%** sale price premium and **3-6%** rental premium³



Qualified improvements can result in creation of local jobs.

42,000 job-years have been added as a result of C-PACER improvements across the country⁴



C-PACER programs are proven to spur investment in sustainable and resilient improvements to buildings across the nation

More than **37** States have C-PACER enabling legislation resulting in more than **\$3.4 billion** in green project financing⁵

¹ Savings inclusive of impacts of commercial and residential PACER funding. PACE Nation, <https://www.pacenation.org/pacenation-releases-a-pace-enabled-world-a-new-resource-detailing-the-economic-environmental-and-resilience-benefits-of-pace-financing/>.

² American Council for an Energy Efficient Economy, <https://www.aceee.org/sites/default/files/halfway-there-0919.pdf>.

³ Eichholtz et al (2010). Doing Well by Doing Good? Green Office Buildings, The American Economic Review, Vol. 100, No. 5, <https://www.jstor.org/stable/41038771>.

⁴ PACE Nation, <https://www.pacenation.org/pace-market-data/>.

⁵ *Ibid.*

III. C-PACER Financing Program Rules

These program Guidelines (the “Guidelines”) are prepared as required by the C-PACER Act, Tenn. Code Ann. § 68-205-101, et seq., at the direction of the County, and is approved in connection with, and as an attachment to, the enabling ordinance for this program (the “C-PACER Ordinance”) dated [REDACTED]. Capitalized terms used herein, but not defined herein, have the meaning given to such terms in the C-PACER Ordinance.

These guidelines establish eligibility, approval process and criteria, and associated forms for the administration of the C-PACER Program for the County. The C-PACER Program enables financing for commercial property owners (“Property Owners”) to make certain energy efficiency, renewable energy, water conservation, and resiliency improvements (each, a “Qualified Improvement”) as described in the C-PACER Act and further clarified in these guidelines.

Qualified Improvements, including all eligible costs that are to be financed as described in a project application approved by the Program, constitute a “Qualified Project.” Property Owners may receive funding for their Qualified Improvements only from qualified private investors (“Capital Providers”) pursuant to a separate Financing Agreement negotiated between the Property Owner and Capital Provider (a “Financing Agreement”).

In the following subsections, a reader can find information about:

- Statutory and programmatic eligibility requirements for C-PACER project financing in Tennessee State, and
- The appropriate steps and forms needed for a County to receive and process a C-PACER project lien application.

1. Establishment of C-PACER Program Boundaries

Metro Nashville Government adopted Ordinance number [REDACTED] on [REDACTED], establishing the C-PACER Program for all eligible commercial properties within the boundaries of Davidson County (the “Region”). The Region is illustrated in Exhibit 1.

2. Administration of Program; Authorized Officials

The Office of the Metropolitan Trustee (the “Trustee”) is designated and authorized as the Project Administrator to review each project application to confirm that it is complete and contains no obvious errors. The Trustee will then execute the Assessment Agreement and C-PACER Lien documents on behalf of Metro and record them with the Register of Deeds.

As part of Program operation, the Trustee will:

- Accept project applications (see Attachment A, application) from Property Owners and Capital Providers for prospective C-PACER projects.
- Review the project application to determine conformance with the Application Checklist (See Attachment B).
- Approve/conditionally approve/disapprove the project application and communicate to applicant.
- Execute the Assessment Agreement and Notice of Assessment Interest and C-PACER Lien (“Notice of Assessment Interest”).
- Record the Notice of Assessment Interest in the Office of the Register of Deeds for Davidson County.

- Coordinate with capital providers and appropriate Metro Nashville departments, including the Assessor of Property and the Department of Finance, and other stakeholders to ensure that the C-PACER voluntary special assessment is correctly billed, collected, and disbursed per the financing agreement.

3. Eligibility Requirements

Eligible Property means any privately-owned commercial, agricultural, industrial, or multi-family real property of five (5) or more dwelling units located within the boundaries of Davidson County (including properties owned by a not-for-profit organization).

Ground leases on Eligible Property are permitted, so long as all requirements of the C-PACER Ordinance are met, including requiring the Property Owner to enter into an Assessment Agreement. On ground-leased property, therefore, the assessment and C-PACER Lien encumber the fee interest in the property, not the ground leasehold.

Property Owner means an owner of qualifying eligible property, which is the record owner of title to the Eligible Property. The Property Owner may be any type of business, corporation, individual, or non-profit organization.

Qualified Improvements means a permanent improvement affixed to the real property that must meet at least one of these criteria:

- Decrease energy consumption or demand through the use of efficiency technologies, products, or activities that reduce or support the reduction of energy consumption or allow for the reduction in demand or reduce greenhouse gas emissions (“Energy Efficiency Improvement”);
- Support the production of clean, renewable energy, including but not limited to a product, device, or interacting group of products or devices on the customer's side of the meter that generates electricity, provides thermal energy, or regulates temperature (“Renewable Energy Improvement”);
- Decrease water consumption or demand and address safe drinking water through the use of efficiency technologies, products, or activities that reduce or support the reduction of water consumption, or allow for the reduction in demand (“Water Efficiency Improvement”);
- Reduce or eliminate lead from water which may be used for drinking or cooking (“Safe Drinking Water Improvement”);
- Increase water and wastewater resilience, including through storm retrofits, flood mitigation, and stormwater management, or wind resistance, energy storage, microgrids, and other resilience projects approved by the local government (“Resiliency Improvement”);
- Increase seismic resilience of new or existing buildings by making improvements necessary to comply with seismic provisions of the locally adopted technical building codes (“Seismic Improvement”).

Qualified Projects include the following:

- The acquisition, construction (including new construction), lease, installation, or modification of a Qualified Improvement permanently affixed to an Eligible Property.

- Qualified Projects include the refinancing of existing properties that have had Qualified Improvements installed and completed for no more than two (2) years prior to the date of project application.

Qualifying Capital Provider may be any private third-party entity, including its designee, successor, and assigns, that makes or funds C-PACER financing, including refinancing.

Qualifying costs that can be C-PACER financed include:

- Materials and labor necessary for installation or modification of a Qualified Improvement;
- Permit fees;
- Inspection fees;
- Financing or origination fees;
- Program application and administrative fees;
- Project development, architectural and engineering fees;
- Capitalized interest;
- Interest reserves;
- Any other fees or costs that may be incurred by the Property Owner incident to the installation, modification, or improvement on a specific or pro rata basis.
- See also the definition of Total Eligible Construction Costs in Section 5(5)(D).

4. Application Process

The Trustee will review the application for proof of compliance with the requirements of the C-PACER Act that are necessary for the County to approve the application and execute the applicable documents for the proposed C-PACER transaction. Applicants are encouraged to review the project application Checklist accompanying the application to ensure that the types of information that the County will rely upon to verify compliance with the statute are present in the completed application.

The process of obtaining financing under the Program starts when a Property Owner approaches a Capital Provider. The Capital Provider will work with the Property Owner to collect a number of diligence items. Once all the items have been received, reviewed, and approved by the Capital Provider, the parties should settle on the loan terms.

The C-PACER application process will be as follows:

(1) The Property Owner and the Capital Provider prepare the project application, consisting of the Application Checklist and all supporting documents (described below). Applicants should review the Application Checklist accompanying the project application to ensure that the types of information that the County will rely upon to verify compliance with the C-PACER Act and C-PACER Ordinance are present in the completed project application.

(2) The Trustee will accept C-PACER applications the first 5 business days of each month. The Trustee will have ten business days to review and approve the project application. If the office has received an unusually high number of applications, or if review is delayed because of some force majeure event, the office may notify the applicant that the application review and approval will be delayed by no more than ten additional business days.

(3) The County application review process is confined to confirming that the project application is complete and that the Capital Provider and Property Owner are found to sufficiently meet the program's criteria, and all attachments conform to these guidelines. **County approval does**

not constitute endorsement of any representations that may be made with regard to the operation and any savings associated with the Qualified Improvements. The Trustee will review the project application for proof of compliance with the requirements of the C-PACER Act and C-PACER Ordinance that are necessary for the County to approve the project application and execute the applicable documents for the proposed C-PACER transaction. Incomplete project applications will be returned to the applicant, and the Trustee will notify the applicant about which items from the Application Checklist were not provided or are insufficient or inaccurate on their face. If the project application and supporting documents comply with the Application Checklist, and the lender and property owner are found to sufficiently meet the program's criteria, the project application may be approved, and the approval communicated in writing to the applicant.

(4) The project application may be conditionally approved if the application is complete but the attachment regarding lender consent is not yet available. Conditional approval will be treated the same as an approval, with exceptions noted below. After 30 days, if all necessary documents are not submitted by applicant or the lender does not submit the consent form, the application is deemed as incomplete and the conditional approval is moved to not approved.

(5) Upon receipt of approval, the Capital Provider will draft or prepare the following "Closing Documents" for the purpose of Davidson County's C-PACER program: The Assessment Agreement and the Notice of Assessment Interest and C-PACER Lien. At or before closing, at the request of the applicant, the designated and authorized official will execute Closing Documents.

(6) If the project application received conditional approval, the Closing Documents executed by the County may not be released from escrow unless and until all lender consents have been received and executed in accordance with the C-PACER Act and C-PACER Ordinance.

(7) At closing, the County will record the Assessment Agreement and the Notice of Assessment Interest and C-PACER Lien in the Office of the Register of Deeds for Davidson County. At the election of the applicant, the County may delegate the recording of the Closing Documents to the applicant or their designee(s).

(8) Upon confirmation of recordation in the Office of the Register of Deeds for Davidson County, the Capital Provider will disburse funds in accordance with the Financing Agreement.

(9) The Property Owner begins making assessment payments per the Assessment Agreement and in accordance with the Financing Agreement. The Trustee will pass through the C-PACER special assessment payment to the C-PACER lender, only after all property tax liens have been made whole.

(10) Notwithstanding any other provision to the contrary, any payment received by the Trustee, whether or not specifically designated as payment of the Assessment or an Assessment Installment, shall first be applied to any property tax, or other non-C-PACER assessment collected by the Trustee, due and owing for the Property at the time of the receipt of such payment before any funds are remitted to the Capital Provider; however, that in consideration of a proceeding in which the ad valorem assessment or tax of the Property is being challenged, the Property Owner shall be permitted to designate a payment or portion thereof as an amount being paid under protest as permitted under applicable law.

5. Application Documents

The project application must be submitted with the following documents appended:

- Project Application Checklist (form attached)
 - Lienholder(s) Consent (form attached)
 - Ground Lessor(s) Consent (if applicable) (form attached)
 - Financing Agreement between Property Owner and Capital Provider
 - Economic Benefits Certification (form attached): The applicant will certify that the economic benefits of the Qualified Improvements exceed the costs of the assessment.
 - Certificate of Qualified Improvements: For all categories of qualified improvements, a licensed Professional Engineer or an authorized representative of a licensed engineering firm will certify that Qualified Improvements will result in energy, water, renewable energy, or resilience outcomes. The certifying individual may hold additional licenses or qualifications demonstrating their qualifications.
- (1) For Renewable Energy Improvements, Energy Efficiency Improvements, or Water Efficiency Improvements on an existing building: A certification stating that the proposed Qualified Improvements will result in either the more efficient use or conservation of energy or water, the reduction of greenhouse gas emissions, or the addition of renewable sources of energy or water.
 - (2) For Safe Drinking Water Improvements on an existing building: A certification stating that the proposed Qualified Improvements will result in the reduction of lead in potable water.
 - (3) For Resilience Improvements on an existing building: A certification that the Qualified Improvements will result in improved resilience, which may include, without limitation, flood mitigation, stormwater management, wildfire and wind resistance, energy storage, measures to enhance performance during seismic events, and microgrids.
 - (4) For new construction: A certification that each proposed Qualified Improvement or the building as a whole will enable the subject property to exceed the energy efficiency or, water efficiency or, renewable energy or, renewable water, or resilience requirements of the current building code requirements of the county.
- While not mandatory, C-PACER program participants are encouraged to quantify estimated annual environmental and economic benefits associated with their qualified improvements and report on any minority and women-owned business enterprises to be used for the purposes of C-PACER project execution (forms attached).

6. Closing Documents

The following documents require the signature of the County and shall be part of the closing of any C-PACER transaction. Each document must be substantially similar in substance to the forms provided, although Property Owners and Capital Providers may negotiate variations tailored to their specific projects.

- Assessment Agreement (Form attached)
- Notice of Assessment Interest and C-PACER Lien (Form attached)

7. Interest Rates

Interest rates are negotiated in a Financing Agreement between the Property Owner and the Capital Provider. The County has no role in reviewing, setting, or opining on such interest rates or other aspects of the Financing Agreement. Market forces – such as competition, the intended use of the property, potential risk –will affect the terms negotiated by the Property Owners and Capital Providers.

Statutory interest rates on any delinquent property tax remain unaffected by interest rates negotiated between the Property Owner and the Capital Provider.

8. Billing and Collection of Assessments

Billing, collection and enforcement of delinquent C-PACER Liens and C-PACER financing installment payments will be handled by Metro using the same process that it uses for collection and enforcement of ad valorem property taxes. For Davidson County, this means that the annual C-PACER financing installment payment will be due on the first Monday in October and must be paid by the last day of February, at which time the outstanding balance becomes delinquent on March 1st. Interest of 1.5% per month on the base amount of a delinquent C-PACER financing installment payment will be added starting March 1st, and on the first day of each month thereafter until payment is made in full. Pursuant to T.C.A. § 67-5-2803, there is no ability of any “person, public official, government entity or court” to “waive, compromise, remit, prorate, apportion or release property taxes, penalty, interest or court costs nor the first lien securing the same.”

9. Enforcement of C-PACER Lien

As described in detail above, Metro will enforce the C-PACER Lien through the same tax sale mechanism that it uses to enforce the liens for ad valorem property taxes. Metro’s right to enforce and collect its property taxes is unaffected by the enactment of the C-PACER program. Property owners with C-PACER special assessments are still required to annually pay their property taxes when due. Property taxes due will be paid in full prior to any payment being reemitted to the C-PACER lender. If the property owner fails to pay the property taxes owed and/or C-PACER assessment, Metro will file a delinquent tax lawsuit, as it normally would, to have the property sold to collect the past-due tax debt. Any fees incurred by Metro in this collection and sale process would be recouped by the proceeds from the property sale prior to any remittance to the C-PACER lender. The tax sale purchaser who becomes the new owner would then be responsible for paying future property taxes on the property and any remaining C-PACER special assessments owed under the financing agreement. *Overall, the C-PACER assessment agreement between Metro and the property owner requires that payments received by the Metropolitan Trustee will first be applied to any property taxes, (or other non-C-PACER assessments) including prior delinquent tax years, owed at the time of such payment before any payments are sent to the C-PACER lender.*

10. Program Fee

Per state enabling statute, Metro government has the ability to assess a fee associated with the program administration. Metro, as compensation for time and costs incurred in the establishment of the C-PACER Program as well as for reviewing a project application for completeness and executing the Assessment Agreement and C-PACER lien, is assessing a fee equal to 1% of the amount financed by the property owner, not to exceed \$50,000. The property owner must pay this fee to Metro with C-PACER Program project application, and such payment is a condition precedent to recording. The Metropolitan Trustee will invoice such payment separately to the applicant (property owner).

11. Term of an Assessment; Calculation of Useful Life of Qualified Improvements

The maximum term of an assessment may not exceed the useful life of the Qualified Improvement or weighted average life if more than one Qualified Improvement is included in the Qualified Project.

12. Form of Closing Documents

The Program has adopted form Closing Documents: The Assessment Agreements and Notice of Assessment Interest and C-PACER Lien. A Property Owner and Capital Provider may request modifications to the forms to fit the needs of their particular transaction but must not modify or omit any material substantive terms contained in the forms. The County reserves the right to reject any modifications to the forms.

The forms are attached and respectively incorporated herein as referenced.

13. Written Consent from Lienholder(s) and Ground Lessor(s) Required

Before entering into an Assessment Agreement with the County, the Capital Provider must obtain, and the project applications must show proof of, written consent for the placement of the assessment and C-PACER Lien from any holder of a mortgage or a deed of trust interest in the real property. Similarly, any ground lessor of the property must also provide written consent for the placement of the assessment and C-PACER Lien.

If the consents will not be executed until closing, the signatures of the County to the Closing Documents will be held in escrow and will not be released until the consents are obtained. After closing, at the election of the Trustee's Office, an amended project application with the consents attached must be sent to the Trustee's Office. A form of consent that conforms to the C-PACER Ordinance and C-PACER Act is attached.

14. Provisions for Participant Education

These guidelines will be made available to the public on the County website. Upon participating in the program, it is presumed that Property Owners and Capital Providers understand the principles and processes associated with C-PACER financing, including the Property Owner's ad valorem property tax obligations and the collection and enforcement process for delinquent C-PACER assessment payments, and will look to the guidelines for understanding and clarification of the County Program. The Trustee is also available as a resource to answer questions about its role in C-PACER program administration.

15. County Has No Liability or Financial Responsibility

Neither Metro, its governing body, executives, or employees are personally liable as a result of exercising any rights or responsibilities granted under this Program. Metro shall not pledge, offer, or encumber its full faith and credit for any lien amount under the C-PACER program. No public funds may be used to repay any C-PACER financing obligation.

16. Diversity, Equity and Inclusion

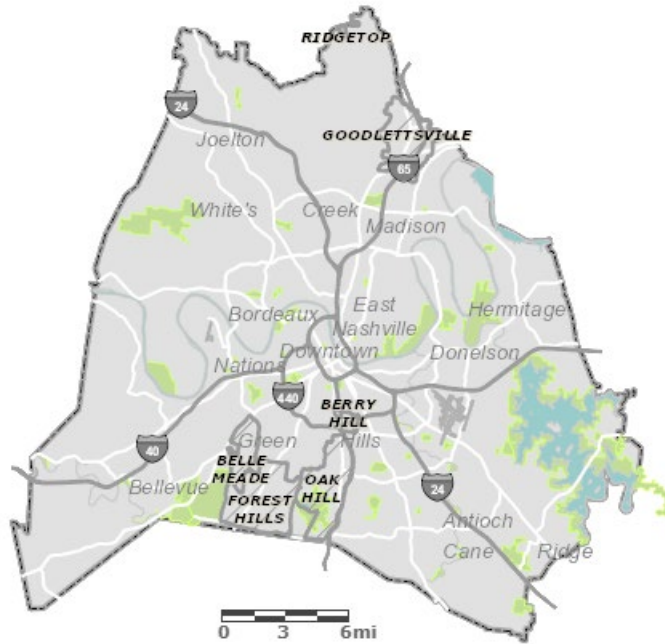
Metro Nashville encourages, but does not require, C-PACER program participants to use minority and women-owned business enterprises where possible in C-PACER financed projects. Linked below are two resources that provide information about minority and women-owned business enterprises in Nashville and Tennessee, respectively.

- [Metro Nashville EBO program](#)
- [TN state DBE Small Business Development](#)

It should be noted that these resources are not exhaustive and inclusion on lists should not be interpreted as an endorsement. These lists are curated to identify minority and women-owned business enterprises that Metro Government and the State of Tennessee uses as vendors. Therefore, they can serve as a starting point. The Program Administration will also make available a resource with additional diversity, equity, and inclusion information on its website.

EXHIBIT 1

Davidson County C-PACER Program Boundary





ERICA S. GILMORE
METROPOLITAN TRUSTEE
 700 President Ronald Reagan Way, Suite 220
 Nashville, TN 37210

C-PACER PROJECT APPLICATION CHECKLIST

APPLICATION INFORMATION	APPLICANT-PROVIDED INFORMATION	ACCEPTED DOCUMENTATION	VERIFIED / NOTES
PROPERTY ADDRESS		DEED TITLE INSURANCE REPORT ASSESSOR OFFICIAL RECORD The address must be within Davidson County.	
PROPERTY OWNER:	Legal name(s) of Owner(s) (LIST ALL): Name of contact person: Phone number:	DEED TITLE INSURANCE REPORT All names must match exactly what is on the Title Insurance Report and Assessor Official Record If the name(s) is different: Certified copy of personal/corporate name change;	



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C-PACER PROJECT APPLICATION CHECKLIST

	Email address:	Certified copy of merger/sale document reflecting name change; Certified copy of Power of Attorney	
QUALIFYING PROPERTY	is this Property: <input type="checkbox"/> commercial <input type="checkbox"/> agricultural <input type="checkbox"/> industrial <input type="checkbox"/> multi-family of 5+ units	ASSESSOR / TREASURER OFFICIAL RECORDS APPRAISAL ZONING REPORT GROUND LEASE (if applicable)	
QUALIFYING OWNER	Is property owned by a <input type="checkbox"/> limited liability company <input type="checkbox"/> general or limited partnership <input type="checkbox"/> corporation <input type="checkbox"/> individual/Sole proprietorship <input type="checkbox"/> trust	If property is held by a limited liability company, general or limited partnership or a corporation, the applicant should include a copy of the certificate of formation, organization, incorporation or similar document and a good standing certificate/certificate of existence from the state or organization and, if not organized in Tennessee, a certificate of registration to	



ERICA S. GILMORE
METROPOLITAN TRUSTEE
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 Nashville, TN 37210

C-PACER PROJECT APPLICATION CHECKLIST

		<p>conduct business in Tennessee as a foreign entity.</p> <p>If a trust, a copy of the trust agreement or a trustees' certificate.</p> <p>If an individual, a copy of a valid driver's license.</p> <p>If the application is to be signed by a party other than the applicant, then, in addition to the foregoing, a power of attorney or corporate resolution authorizing said party.</p>	
<p>CAPITAL PROVIDER</p>	<p>Legal Name:</p> <p>Name of contact person:</p> <p>Phone number:</p>		



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 Nashville, TN 37210

C-PACER PROJECT APPLICATION CHECKLIST

	Email address:		
<p>QUALIFYING IMPROVEMENT CERTIFICATION (Existing Building)</p>	<p>The improvement sought are (check all that apply):</p> <p><input type="checkbox"/> Energy efficient</p> <p><input type="checkbox"/> Water efficient</p> <p><input type="checkbox"/> Renewable Energy</p> <p><input type="checkbox"/> Lead Reduction, water</p> <p>If Resiliency, specify type:</p> <p><input type="checkbox"/> flood mitigation</p> <p><input type="checkbox"/> stormwater management</p> <p><input type="checkbox"/> other (please specify in an attachment)</p>	<p>Original and copy of:</p> <p>Energy, Water & Resilience Compliance Certificate that is complete, signed, with accompanying documentation.</p>	



ERICA S. GILMORE
METROPOLITAN TRUSTEE
 700 President Ronald Reagan Way, Suite 220
 Nashville, TN 37210

C-PACER PROJECT APPLICATION CHECKLIST

	<p>The improvements sought are for: _____ existing building _____ new construction</p> <p>Attach description of improvements and certifications for improvements sought, including documentation of the appropriate license/qualifications required by the Guidebook.</p>		
<p>QUALIFYING IMPROVEMENT CERTIFICATION (New Construction)</p>	<p>The improvement sought are (check all that apply): _____ Energy efficient _____ Water efficient _____ Renewable Energy</p> <p>If Resiliency, specify type:</p>	<p>Original and copy of: Energy, Water & Resilience Compliance Certificate that is complete, signed, with accompanying documentation required by the Certificate.</p>	



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C-PACER PROJECT APPLICATION CHECKLIST

	<p><input type="checkbox"/> flood mitigation</p> <p><input type="checkbox"/> stormwater management</p> <p><input type="checkbox"/> other (please specify in an attachment)</p> <p>The improvements sought are for:</p> <p><input type="checkbox"/> existing building</p> <p><input type="checkbox"/> new construction</p> <p>Attach description of improvements and certifications for improvements sought, including documentation of the appropriate license/qualifications required by the Guidebook.</p>		
<p>ECONOMIC BENEFIT CERTIFICATION</p>	<p>The economic benefits of the proposed Qualified Improvements exceed the costs of the proposed assessment.</p>	<p>Original and copy of:</p> <p>Economic Benefits Compliance Certificate that is complete and signed.</p>	



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C-PACER PROJECT APPLICATION CHECKLIST

<p>LIENHOLDER CONSENT</p>	<p>CONSENT(s) ___ attached ___ delivered at close</p>	<p>Applicant should submit the Lienholder Consent Form (must be substantially the same as the Model form)</p> <ul style="list-style-type: none"> • The form must be signed and notarized in appropriate places <p>Cross-check list of Lienholders from Title Report with Written Consents provided by Capital Provider.</p>	
<p>FINANCING AGREEMENT BETWEEN PROPERTY OWNER AND CAPITAL PROVIDER</p>		<p>Original and copy of:</p> <p>The Financing Agreement entered into between the Property Owner and Capital Provider for the Qualifying Project and/or Improvement.</p>	

IF CONSENT WILL BE EXECUTED AT CLOSING, CONDITIONAL APPROVAL IS GIVEN.



**ERICA S. GILMORE
METROPOLITAN TRUSTEE**

700 President Ronald Reagan Way, Suite 220
Nashville, TN 37210

C-PACER PROJECT APPLICATION CHECKLIST

IF CONSENTS ARE DELIVERED AT CLOSING, APPLICANT MUST HOLD COUNTY-EXECUTED CLOSING DOCUMENTS IN ESCROW UNTIL CONSENTS ARE OBTAINED. AT DISCRETION OF THIS OFFICE, THIS APPLICATION MAY BE AMENDED AND RETURNED WITH COPIES OF CONSENTS ATTACHED.



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Nashville, TN 37210

C-PACER PROJECT APPLICATION CHECKLIST

BY SIGNATURE BELOW, THE APPLICANTS (THE PROPERTY OWNER AND CAPITAL PROVIDER) AFFIRM THAT THE INFORMATION AND DOCUMENTATION ARE TRUE AND CORRECT TO THE BEST OF THEIR ABILITY AND THAT THE APPLICANTS HAVE READ THE DISCLOSURES AND DISCLAIMERS ATTACHED TO THIS APPLICATION AND UNDERSTAND THE RISKS OF PARTICIPATING IN THE C-PACER PROGRAM; FURTHER, THAT THE APPLICANTS AFFIRM THAT NEITHER THE COUNTY, ITS GOVERNING BODY, EXECUTIVES, NOR EMPLOYEES ARE PERSONALLY LIABLE AS A RESULT OF EXERCISING ANY RIGHTS OR RESPONSIBILITIES GRANTED UNDER THIS PROGRAM.

APPLICATION FORM SIGNED AND DATED

ON BEHALF OF PROPERTY OWNER: _____

NAME & TITLE: _____

ON BEHALF OF CAPITAL PROVIDER: _____

NAME AND TITLE: _____

TO BE COMPLETED BY AUTHORIZED COUNTY OFFICIAL

APPLICATION: _____ APPROVED _____ CONDITIONALLY APPROVED _____ DENIED

ON BEHALF OF COUNTY: _____

NAME AND TITLE: _____



**ERICA S. GILMORE
METROPOLITAN TRUSTEE**

700 President Ronald Reagan Way, Suite 220
Nashville, TN 37210

C-PACER PROJECT APPLICATION CHECKLIST



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METROPOLITAN TRUSTEE**

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Nashville, TN 37210

C-PACER PROJECT APPLICATION CHECKLIST

DISCLOSURES & DISCLAIMERS (IF NEEDED)

Assessment Agreement for C-PACER Financing

**THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY
COMMERCIAL PROPERTY ASSESSED CLEAN ENERGY AND RESILIENCY
(C-PACER) PROGRAM**

Assessment Agreement for C-PACER Financing

The Metropolitan Government of Nashville and Davidson County, Tennessee

This ASSESSMENT AGREEMENT FOR C-PACER FINANCING (this "**Agreement**") is made and entered into as of this [] day of [], 20xx , (the "**Effective Date**") by and between The Metropolitan Government of Nashville and Davidson County ("**Metro**") through its Office of the Metropolitan Trustee (the "**Trustee**" or "**Program Administrator**"), [CAPITAL PROVIDER], a [STATE] [BUSINESS ENTITY TYPE] (together with its successors and assigns, "**Capital Provider**") and [], the record owner(s) (the "**Property Owner**") of the fee title to the real property identified on Exhibit A (the "**Property**").

RECITALS

WHEREAS, on [], Metro established the Commercial Property Assessed Clean Energy and Resiliency Program (the "**Program**" or "**C-PACER**") through the adoption of Ordinance No. [] ("**County Ordinance**") to allow in Davidson County the financing of certain renewable energy, energy and water efficiency, and resiliency improvements ("**Qualified Improvements**"), through the levy of contractual assessments pursuant to Tenn. Code Ann. §§ 68-205-101 et seq. (as may be amended from time to time, the "**C-PACER Act**"); and

WHEREAS, in the County Ordinance, Metro designated the Trustee as the Program Administrator as such term is defined in the County Ordinance and C-PACER Act; and

WHEREAS, the purpose and method of approval of C-PACER financing under the Program are described in the Program Guidelines established by the Program Administrator, as the same may be amended from time to time prior to the Effective Date of this Agreement (the "**Program Guidelines**"); and

WHEREAS, the Property is located within the boundaries of Davidson County, and Metro has consented to owners of eligible properties within Davidson County participating in the Program; and

WHEREAS, the Property Owner has submitted application materials including a description of the Qualified Improvements that will be acquired, constructed on and/or installed on the Property; and

WHEREAS, Metro through the Trustee, has reviewed such application materials to assess compliance with the C-PACER Act, the County Ordinance, and Program Guidelines, and based upon representations made by the Property Owner, Metro has determined that the project proposed by the Property Owner complies with such criteria and is approved for participation in the Program (the "**Approved Project**"); and

WHEREAS, the Approved Project is to be financed pursuant to a financing agreement between the Property Owner and the Capital Provider and under which the Property Owner agrees to repay such Capital Provider (the "**Financing Agreement**"); and

WHEREAS, pursuant to the C-PACER Act, Metro and the Property Owner must enter into an agreement whereby the Property Owner voluntarily consents to have a special assessment levied and a lien placed on the Property in exchange for receiving and repaying C-PACER financing; and

WHEREAS, it is a condition to closing of the Financing Agreement that the Property Owner and the Metro enter into this Agreement; and

WHEREAS, the Property Owner voluntarily and willingly agrees to have a special assessment levied on the Property and to enter into this Agreement in order to finance the installation on the Property of the Qualified Improvements contemplated as part of the Approved Project, all on the terms set forth in the Financing Agreement.

NOW, THEREFORE, in consideration of the foregoing and the covenants and agreements hereinafter contained, and for other good and valuable consideration the receipt and sufficiency of which are hereby acknowledged, the Property Owner, the Capital Provider and Metro formally covenant and agree as follows, with the intent to bind themselves and their respective successors and assigns:

AGREEMENT

Section 1. Purpose. The Property Owner, Capital Provider and Metro enter into this Agreement for the purpose of subjecting the Property to a C-PACER special assessment and lien to finance or refinance the purchase, installation, or construction of the Qualified Improvements on the Property as identified on the attached Exhibit B.

Section 2. The Property. This Agreement relates to the real property as identified on Exhibit A. The Property Owner has supplied Metro and Capital Provider current evidence of its ownership of fee title or an estate for years created pursuant to a written ground lease agreement or similar agreement to the Property and possesses all legal authority necessary to execute and deliver this Agreement.

Section 3. Assessment and Lien.

(a) The Property Owner agrees that upon the execution and delivery of this Agreement by the parties, the Property Owner voluntarily and willingly consents to the placement of a special assessment levied against the Property by Metro pursuant to this Agreement and applicable law in the principal amount of \$[_____], together with all interest, penalties, and fees as described in the Financing Agreement and C-PACER Act (the “**Assessment**”). Upon execution and delivery of this Agreement, Metro will execute and cause to be recorded in the office of the Register of Deeds for Davidson County, together with a copy of this Agreement, pursuant to Tenn. Code Ann. § 68-205-109, the Notice of Assessment Interest and C-PACER Lien (“**Notice of Assessment**”), substantially in the form of Exhibit C. The recording of the Notice of Assessment will cause the Assessment to attach as a lien upon the Property for the benefit of Metro (the “**C-PACER Lien**”) and provide record notice to third parties of the existence of the C-PACER Lien.

(b) The execution and delivery of this Agreement by the parties authorizes and effectuates the levy of the Assessment by Metro against the Property without any further action required by the parties.

(c) The Property Owner hereby promises to pay to the Trustee the Assessment for a period of [_____] years on the due dates set forth in Exhibit D hereto (the “**Assessment Schedule**”). The Property Owner agrees, as provided in the Financing Agreement, to pay the amount due in installments according to the Assessment Schedule (each, an “**Assessment Installment**”), each such Assessment Installment to be paid by the Property Owner by its due date in order to avoid delinquencies and the accrual of interest and related penalties.

(d) The Assessment shall be secured by the C-PACER Lien until paid in full. Failure to pay any Assessment Installment, like failure to pay any property tax pertaining to the Property, will result in penalties and interest accruing on the amounts due on the terms and provisions of the Financing Agreement, in addition to the accrual of delinquent interest and penalties that will be charged on the

Assessment Installment in the same manner and at the same rate for delinquent property taxes as provided for by law. Furthermore, under those circumstances, the C-PACER Lien may be subject to enforcement through a delinquent tax sale in the manner specified in Section 4, below.

(e) The Property Owner hereby certifies to Metro and Capital Provider that:

(i) The amount of the Assessment plus any existing indebtedness on the property does not exceed ninety percent (90%) of the current fair market value of the property, including any existing indebtedness on the property, as determined by a qualified appraiser in the application materials provided to Metro, with the exception that properties qualified under the federal low-income housing tax credit program set forth in 26 U.S.C. § 42 are exempt from this requirement; and

(ii) the amount of the Assessment does not exceed twenty-five percent (25%) of the current fair market value of the property as determined by a qualified appraiser.

Section 4. Collection of Assessment; Assignment of Rights; Tax Sale.

(a) The Assessment Installments shall be collected in the manner specified in the County Ordinance, which shall be payable during the same time and in the same manner as ad valorem property taxes.

(b) To the extent not otherwise limited by this Agreement, Metro hereby irrevocably assigns its right to receive all installments of the Assessment required to be paid by the Property Owner pursuant to this Agreement, whether in accordance with the Assessment Schedule or upon prepayment of the Assessment in whole or in part in, and any and all sums collected pursuant to foreclosure and enforcement, together with all payments of interest due and payable under the Financing Agreement, including penalty interest if delinquent, to the Capital Provider, its successors or assigns. For the avoidance of doubt, notwithstanding amounts due pursuant to the Financing Agreement, Metro shall be entitled to retain, as provided for by law, such interest and penalties that is charged on an Assessment Installment in the same manner and at the same rate as delinquent property taxes, and, further, retain such other sums collected by or on behalf of Metro for costs incurred in pursuing a foreclosure and enforcement action. The Parties hereby acknowledge and agree that an overdue Assessment Installment will be collected by Metro through its delinquent tax attorney in the same manner that the collection of delinquent real property taxes occur, irrespective of whether real property taxes (or any other taxes, charges, or assessments) are delinquent, due and owing at the time. The Parties also acknowledge that this Agreement in no way alters Metro's method of enforcement for ad valorem property taxes on the Property, and that Metro shall have the sole discretion in determining the manner, time, and method of instituting and maintaining a foreclosure and enforcement action for a delinquent Installment Assessment, provided that Metro shall act in good faith in making such determination.

Section 5. Term; Agreement Runs with the Land.

(a) Except as otherwise set forth in this Agreement, this Agreement shall terminate upon the final payment or prepayment of the Assessment. Following such termination, Metro shall cause to be executed, delivered, and/or recorded such instruments as are necessary in order to release the C-PACER Lien. The C-PACER Lien placed pursuant to this Agreement establishes rights and obligations that are for the benefit of the Property and, therefore, such rights and obligations run with the land. Notwithstanding the foregoing, Metro shall not be personally liable for payment of the Assessment or an Assessment Installment as a result of Metro taking ownership of the Property at a delinquent tax sale as a result of no offers being made by bidders to purchase the Property.

(b) The balance of the C-PACER Lien that has not yet become due is not accelerated or eliminated by a delinquent tax sale based upon the C-PACER Lien or any lien for taxes imposed by the state, a local government, or junior taxing district against the Property.

(c) In the event the Property is subdivided while any portion of the Assessment remains unpaid, the Assessment will be assigned to each of the newly created parcels on the basis of [relative valuation] at the time of the subdivision, unless the Financing Agreement provides that the Assessment should be allocated in an alternate manner. The Property Owner and Capital Provider agree to execute such further documents and instruments, and to take such further action as may be necessary, to carry out the purposes and intents of this subparagraph 5(c).

Section 6. **Assessment Billing, Collection and Disbursement to Capital Provider.**

(a) **In General.** The Trustee agrees to collect the Assessment Installments pursuant to Section 4 hereof and remit the amount designated in the Agreement to the Capital Provider, no later than thirty (30) days after receipt of the amounts. In the event the Trustee ceases to act as the Program Administrator and there is no successor Program Administrator, Metro hereby agrees to forward the payments to the Capital Provider within thirty (30) days after receipt of said payments. Upon request, the Capital Provider agrees to promptly provide to the Trustee such reasonable information, as may be requested by Trustee from time to time, needed by the Trustee to determine the accurate collection of the Assessment Installments.

(b) **Payment Priority.** Notwithstanding any other provision to the contrary, any payment received by the Trustee, whether or not specifically designated as payment of the Assessment or an Assessment Installment, shall first be applied to any property tax, or other non-C-PACER assessment collected by the Trustee, that is due and owing for the Property at the time of the receipt of such payment before any funds are remitted to the Capital Provider; provided, however, that in consideration of a proceeding in which the ad valorem assessment of the Property is being challenged, the Property Owner shall be permitted to designate a payment or portion thereof as an amount being paid under protest as permitted under applicable law.

(c) **Delinquencies.** Amounts owed to the Capital Provider to be paid out of funds collected by the Metropolitan Delinquent Tax Attorney from a tax sale with respect to the Property pursuant to Section 4(b) for the payment of an overdue Assessment Installment, including any penalties and interest owed pursuant to the Financing Agreement and this Agreement, shall be remitted to the Capital Provider no later than thirty (30) days after receipt of said funds by the Trustee.

Section 7. **Recordation of Documents.** Metro shall cause to be recorded, or will delegate to the Capital Provider to record, in the office of the Davidson County Register of Deeds the Notice of Assessment and C-PACER Lien, which includes this Agreement as an attachment, and such other documents that are attached as Exhibits to this Agreement.

Section 8. **Amendment.** (a) This Agreement may be modified only by the written agreement of Metro, or any successor or assign of Metro, the Capital Provider, or any successor or assign of the Capital Provider, and the Property Owner.

(b) The Property Owner and Capital Provider each agree that it will, from time to time, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such supplements hereto and such further instruments as may reasonably be required in order to carry out the expressed intention of this Agreement.

Section 9. Binding Effect; Assignment. This Agreement inures to the benefit of and is binding upon Metro, Capital Provider, the Property Owner and their respective successors and assigns. The obligation to pay the Assessment set forth in this Agreement is an obligation of the Property and no agreement or action of the Property Owner (other than repayment of the Assessment in full in accordance with the terms of the Financing Agreement) will impair in any way the right to pursue a tax sale with respect to the C-PACER Lien or the right to enforce the collection of the Assessment or any Assessment Installment against the Property. The Capital Provider may assign any or all of its rights arising under this Agreement without the consent of Metro or the Property Owner, provided the Capital Provider provides notice of the assignment to Metro and the Property Owner.

Section 10. No Liability of Metro. Pursuant to the C-PACER Act, Metro, including its governing body, officers, employees, agents or contractors, shall not be liable at law or equity for actions taken pursuant to this Agreement, excepts in cases of gross negligence, recklessness, or willful misconduct. In no event shall Metro be personally liable for payment of the Assessment or Assessment Installments.

Section 11. Indemnification. Property Owner agrees to defend, indemnify and hold the County, its governing body, officers, employees, agents or contractors harmless from any and all claims, including but not limited to reasonable attorney fees, demands, losses and liabilities to or by third parties arising from, resulting from or connected with this Agreement, the Approved Project, the Assessment and the C-PACER Lien. Property Owner's duty to indemnify Metro shall not apply to liability for damages to the proportionate extent caused by or resulting from the sole or contributory negligence or willful misconduct of Metro, governing body, officers, employees, agents or contractors. Property Owner agrees to defend, indemnify and hold the Capital Provider, its directors, officers, employees, agents and representatives harmless hereunder in the same manner provided in the Financing Agreement.

Section 12. Governing Law; Venue. This Agreement is governed by and construed in accordance with the laws of the State of Tennessee. Any legal action brought under this Agreement must be instituted in a court of competent jurisdiction located in Davidson County, Tennessee.

Section 13. Severability. Each and every provision of this Agreement is, and shall be construed to be, a separate and independent covenant and agreement. If any term or provision of this Agreement or the application thereof shall to any extent be held to be invalid or unenforceable, the remainder of this Agreement, or the application of such term or provision to circumstances other than those to which it is invalid or unenforceable, shall not be affected thereby, and each term and provision of this Agreement shall be valid and shall be enforced to the extent permitted by law.

Section 14. Miscellaneous.

(a) **Additional Representations.** Property Owner covenants, certifies and agrees that: (i) it has not made and will not make to Metro any untrue statement of material fact, nor has it omitted to state a material fact necessary to make any statement made not misleading, regarding this Agreement or in relation to its application and participation in the C-PACER Program; (ii) that the ownership or legal title to the Property is not in dispute; (iii) if applicable, has obtained consent for the Assessment from each holder of a mortgage or deed of trust securing indebtedness on the Property, and that such Assessment does not constitute an event of default under such mortgage or deed of trust; and (iv) has familiarized itself with the C-PACER Program including the provisions of the Metropolitan Code of Laws, the Act, and this Agreement and related documents, and further understands the risks and costs associated with participating in the C-PACER Program, including, without limitation, the risk to the Property from failure to pay the Assessment as provided for in this Agreement.

(b) Authorizations. Each Party respectively certifies that it has received all consents and approvals necessary and is duly authorized to execute and deliver this Agreement.

(c) Notices. Any notice or communication required hereunder shall be delivered, mailed by first class mail postage prepaid, or over delivery services to the parties as follows:

Property Owner:

[Address]

Metro:

[Address]

with a copy to:

[Department of Law address]

Capital Provider:

[Address]

The address of any party may be changed by notice to each other party given in the same manner as provided in this subparagraph (c).

(d) Tennessee Public Records Act. The Property Owner and Capital Provider each acknowledge that Metro is a “public agency” for purposes of the Tennessee Public Records Act (the “Act”), Tenn. Code Ann. § 10-7-501, et seq., and for the purposes of the Act, any information or documents received by Metro related to this Agreement or participation of either in the C-PACER Program will be considered a public record and may be subject to public disclosure unless and exceptions exists under applicable law.

(e) No Partnership or Agency. Nothing in this Agreement, or participation in the C-PACER Program, shall be constructed to create a relationship between the parties of agent, servant, employee, partnership, joint venture or association.

Section 15. Counterparts. This Agreement may be executed in several counterparts, each of which is an original and all of which constitutes one and the same instrument.

Signatures Appear on Following Page

IN WITNESS WHEREOF, the Metro and the Property Owner have caused this Agreement to be executed in their respective names by their duly authorized representatives, all as of the date first above written.

**THE METROPOLITAN GOVERNMENT OF
NASHVILLE AND DAVIDSON COUNTY,
TENNESSEE**

By: _____
Its: _____

PROPERTY OWNER:

[PROPERTY OWNER]

By: _____
Its: _____

CAPITAL PROVIDER:

[CAPITAL PROVIDER]

By: _____
Its: _____

METRO'S ACKNOWLEDGEMENT

STATE OF TENNESSEE
COUNTY OF DAVIDSON

Before me, _____, a Notary Public in and for the State and County aforesaid, personally appeared _____, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who, upon oath, acknowledged [her/him]self to be the _____ of the _____, the within-named bargainor, a county, and that [s/sh]e as such _____, being duly authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of the county by [her/him]self as such _____.

WITNESS my hand and seal at office, on this the ____ day of _____, 20__.

Notary Public

My Commission Expires:

[seal]

PROPERTY OWNER'S ACKNOWLEDGEMENT

STATE OF TENNESSEE)
COUNTY OF DAVIDSON)

Before me, the undersigned, a Notary Public of the state and county mentioned, personally appeared _____, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who, upon oath, acknowledged [him/her]self to be _____ (office held) of _____, the within named bargainer, a [corporation / limited liability company / limited partnership / general partnership], and that [s/h]e as such _____, executed the foregoing instrument for the purpose therein contained, by signing the name of the [corporation / company / partnership] by him/herself as _____.

Witness my hand and seal, this _____ day of _____, 20_____.

Notary Public

[SEAL]

My Commission Expires: _____

CAPITAL PROVIDER'S ACKNOWLEDGMENT

STATE OF _____)
COUNTY OF _____)

Before me, the undersigned, a Notary Public of the state and county mentioned, personally appeared _____, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who, upon oath, acknowledged [him/her]self to be _____ (office held) of _____, the within named bargainer, a [corporation / limited liability company / limited partnership / general partnership], and that [s/h]e as such _____, executed the foregoing instrument for the purpose therein contained, by signing the name of the [corporation / company / partnership] by him/herself as _____.

Witness my hand and seal, this _____ day of _____, 20_____.

Notary Public

[SEAL]

My Commission Expires: _____

EXHIBIT A

PROPERTY LEGAL DESCRIPTION

[To be inserted]

Being the same property conveyed to the Property Owner pursuant to a deed of record as _____ in the office of the Register of Deeds of Davidson County, Tennessee.

EXHIBIT B
QUALIFIED IMPROVEMENTS

[To be inserted]

EXHIBIT C
FORM OF NOTICE OF ASSESSMENT

[To be inserted]

EXHIBIT D

ASSESSMENT SCHEDULE

Period	Bill date	Delinquent After Date	Payment	Interest	Principal	Principal Remaining	Annual Collection Costs**	Total Payment Due
1								
2								
3								
4								
5								
6								
7								
8								
9								
10								
11								
12								
13								
14								
15								
16								
17								
18								
19								
20								
21								
22								
23								
24								
25								

INSTRUMENT PREPARED BY AND
WHEN RECORDED, RETURN TO:

[]

Metropolitan Department of Law
P.O. Box 196300
Nashville, TN 37219-6300

NOTICE OF ASSESSMENT INTEREST AND C-PACER LIEN

Tennessee Code Annotated 68-205-109 Filed in Davidson County

(GRANTEE) THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON
COUNTY

(GRANTOR) [PROPERTY OWNER]

Notice is hereby given that The Metropolitan Government of Nashville and Davidson County, at the request of the property owner named below, is placing a C-PACER Lien pursuant to Tennessee Code Annotated 68-205-109. In support of this lien the following information is submitted:

1. THE ASSESSMENT LIEN GRANTEE	THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY
2. DATE ON WHICH THE ASSESSMENT AGREEMENT WAS SIGNED GRANTING THE RIGHT TO PLACE AN ASSESSMENT AND C-PACER LIEN ON THE PROPERTY	[INSERT]
3. THE PROPERTY OWNER(S) GRANTING THE PLACEMENT OF THE ASSESSMENT AND C-PACER LIEN	[INSERT]
4. THE PROPERTY AGAINST WHICH THE ASSESSMENT AND C-PACER LIEN IS PLACED IS LOCATED AT THE FOLLOWING MUNICIPAL ADDRESS:	[INSERT]
5. LEGAL DESCRIPTION OF THE PROPERTY IS AS FOLLOWS	SEE EXHIBIT A TO THE ASSESSMENT AGREEMENT ATTACHED HERETO

6. ASSESSOR'S PARCEL NUMBER OF THE PROPERTY	[INSERT]
7. PRINCIPAL AMOUNT OF ASSESSMENT SECURED BY C-PACER LIEN	[INSERT]
8. TERMS AND LENGTH OF ASSESSMENT SECURED BY C-PACER LIEN	SEE EXHIBIT _ TO THE ASSESSMENT AGREEMENT ATTACHED HERETO
9. COPY OF ASSESSMENT AGREEMENT (ATTACHED)	SEE EXHIBIT A ATTACHED HERETO

IN WITNESS WHEREOF, Grantee and Grantor have caused this Notice of Assessment Interest and C-PACER Lien to be executed in their respective names by their duly authorized representatives, all as of the date first above written.

GRANTEE:

**The Metropolitan Government of Nashville and
Davidson County, Tennessee**

By: _____
Its: _____

GRANTOR:

[PROPERTY OWNER]

By: _____
Its: _____

STATE OF TENNESSEE
COUNTY OF XXXX

Before me, _____, a Notary Public in and for the State and County aforesaid, personally appeared _____, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who, upon oath, acknowledged [her/him]self to be the _____ of the _____, the within-named bargainer, a county, and that [s/sh]e as such _____, being duly authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of the county by [her/him]self as such _____.

WITNESS my hand and seal at office, on this the ____ day of _____, 20__.

Notary Public

My Development Corporation Expires:

[seal]

STATE OF _____)
COUNTY OF _____)

Before me, the undersigned, a Notary Public of the state and county mentioned, personally appeared _____, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who, upon oath, acknowledged [him/her]self to be _____ (office held) of _____, the within named bargainer, a [corporation / limited liability company / limited partnership / general partnership], and that [s/h]e as such _____, executed the foregoing instrument for the purpose therein contained, by signing the name of the [corporation / company / partnership] by him/herself as _____.

Witness my hand and seal, this _____ day of _____, 20_____.

Notary Public

[SEAL]

My Commission Expires: _____

EXHIBIT A
ASSESSMENT AGREEMENT

[see attached]



ERICA S. GILMORE
METROPOLITAN TRUSTEE
 700 President Ronald Reagan Way, Suite 220
 Nashville, TN 37210

**CERTIFICATE OF C-PACER USE of MINORITY AND WOMEN-OWNED
 BUSINESS ENTERPRISES**

I, the undersigned, hereby make the following assertions with respect to anticipated use of minority and women-owned business enterprises in executing the project described in the attached project application (the "Project") under the Metropolitan Nashville and Davidson County C-PACER Program:

I CERTIFY I anticipate using the following minority and women-owned business enterprises (complete all fields that are applicable to the project):

Enterprise Name	Description of Services	Contract Amount
Total		

Signature: _____

Name:

Title:

{N0508674.1}



ERICA S. GILMORE
METROPOLITAN TRUSTEE
700 President Ronald Reagan Way, Suite 220
Nashville, TN 37210

CERTIFICATE OF C-PACER COMPLIANCE
Economic Benefits

I, the undersigned, hereby certify the following facts and make the following certifications with respect to the project described in the attached project application (the "Project") under the Davidson County C-PACER Program:

I CERTIFY: The economic benefits of the proposed Qualified Improvements exceed the costs of the proposed assessment.

Signature: _____

NAME:

TITLE:



ERICA S. GILMORE METROPOLITAN TRUSTEE

700 President Ronald Reagan Way, Suite 220
Nashville, TN 37210

CERTIFICATE OF C-PACER COMPLIANCE **Energy, Water, Renewable Energy, Resilience**

I, the undersigned, hereby certify the following facts and make the following certifications with respect to the project described in the attached project application (the "Project") under the Davidson County C-PACER Program:

1. I am either a licensed Professional Engineer or an authorized representative of a licensed engineering firm, whose registration number and stamp are shown below, and

If applicable, I am accredited by or belong to a firm with an accreditation from (please denote with a "X" and checkmark):

- Building Energy Assessment Professional (BEAP);
- Building Energy Modeling Professional (BEMP);
- Certified Building Energy Assessment Professional (BEAP) (offered by ASHRAE);
- Certified Energy Auditor (CEA) (offered by Association of Energy Engineers [AEE]);
- Certified Energy Manager (CEM) (offered by AEE);
- Certified FORTIFIED Commercial™ Evaluator (offered by IBHS);
- Certified GeoExchange Designer (CGD);
- Certified High-Performance Building Design Professional (HBDP) (offered by ASHRAE);
- Certified Measurement and Verification Professional (CMVP) (offered by AEE and EfficiencyValuation Organization);
- Investor Confidence Project (ICP) Quality Assurance Assessor;
- Investor Confidence Project (ICP) Project Developer;
- LEED Accredited Professional;
- Licensed Architect;
- Water Quality Association Professional Certification;
- North American Board of Certified Energy Practitioners (NABCEP) (for solar PV only, a design specialist certification is acceptable).

Please provide verification of professional accreditation and recognition

2. The application is for:
 - an existing building
 - new construction
3. Please describe your relationship to the project:
 - I am employed by the project applicant in my professional capacity
 - I am a contracted independent third-party reviewer
5. I reviewed the following information regarding the project (e.g., equipment specifications OR design drawings/modeling OR permit applications OR an ASHRAE Level 1 assessment/energy assessment OR an ASHRAE Level 2 full building model): Please Describe: _____



**ERICA S. GILMORE
METROPOLITAN TRUSTEE**

700 President Ronald Reagan Way, Suite 220
Nashville, TN 37210

CERTIFICATE OF C-PACER COMPLIANCE
Energy, Water, Renewable Energy, Resilience

- 6. The project proposal includes the “Qualified Improvements”, as defined in Tenn. Code Ann. § 68-205-102 and the Program Guidebook, and the estimated useful life of each Qualified Improvement, which are listed in an attachment to this certification. (Please attach)
- 7. The Qualified Improvements will be permanently affixed to the property.

IF FOR AN EXISTING BUILDING (check those that apply):

I CERTIFY:

- The proposed Qualified Improvements will result in either the more efficient use or conservation of energy or water, the reduction of greenhouse gas emissions, or the addition of renewable sources of energy or water.
- The proposed Qualified Improvements will result in the reduction of lead in potable water.
- The Qualified Improvements will result in improved resilience, which may include, without limitation, flood mitigation, stormwater management, wildfire and wind resistance, energy storage, and microgrids. If other, specify: _____

IF FOR NEW CONSTRUCTION (check those that apply):

I CERTIFY:

- Each proposed Qualified Improvement or the building as a whole will enable the subject property to exceed the energy efficiency, water efficiency, renewable energy, renewable water, or resilience requirements of the current building code of the county.

Signature: _____

NAME:

Business name:

Business address:



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Business contact email:

Business contact phone:

IF APPLICABLE

License No. _____

Stamp: _____

ATTACHMENTS (Please attach to Certification)



ERICA S. GILMORE
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CERTIFICATE OF C-PACER ENVIRONMENTAL AND ECONOMIC BENEFITS

I, the undersigned, hereby make the following assertions with respect to anticipated environmental and economic benefits associated with the project described in the attached project application (the "Project") under the Metropolitan Nashville and Davidson County C-PACER Program:

I CERTIFY (complete all fields that are applicable to the project):

Anticipated annual reduction in energy consumption (kWh) _____

Anticipated annual production of renewable energy (kW) _____

Anticipated annual reduction in water consumption (gallons) _____

Anticipated reduction in stormwater runoff (inches per minute) _____

Anticipated reduction in water pollution _____

Other _____

Anticipated annual cost savings from C-PACER improvements _____

Signature: _____

Name:

Title:



**ERICA S. GILMORE
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CERTIFICATE OF C-PACER IMPROVEMENTS COMPLETION

Property Owner: _____

Property Address: _____

C-PACER application approval date: _____

C-PACER financing closing date: _____

The undersigned certifies that the work under the above approved C-PACER application, attached as **Exhibit A** hereto, has been satisfactorily and properly completed and all improvements are operating as intended.

PROPERTY OWNER:

[INSERT ENTITY NAME, IF APPLICABLE]

BY: _____
Signature

Printed Name

Title

Exhibit A

C-PACER Application

[See Attached]



**ERICA S. GILMORE
METROPOLITAN TRUSTEE**

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Nashville, TN 37210

MORTGAGE HOLDER CONSENT

Date: [REDACTED]

Mortgage Holder:

BANK NAME

BANK ADDRESS

BANK CITY, STATE, ZIP

PHONE NUMBER

Loan Number(s): ([REDACTED])

Property Owner and Mailing Address:

OWNER NAME

OWNER ADDRESS

OWNER CITY, STATE, ZIP

Property (as more particularly described in the attached Exhibit A):

PROPERTY ADDRESS

PROPERTY CITY, STATE, ZIP

Recording Information: [Date] and [Book] and [Page] or [Document No.]

This is a Mortgage Holder Consent (this “Consent”) by the undersigned entity (the “Mortgage Holder”) with respect to the above-referenced loan(s) (the “Loan”) secured by the Property.

The Property Owner intends to finance the installation of eligible improvements in an amount of up to **[\$[INSERT MAX TFA]*** (“Financing”) in order to reduce energy consumption, to reduce water consumption, to increase resiliency, or to install renewable energy systems on the Property by participating in the commercial property assessed clean energy and resiliency (“C-PACER”) program (“Program”) authorized by the Metropolitan Government of Nashville and Davidson County in which the Property is located. Pursuant to the Program, the Property Owner agrees to the levying of an assessment (“Lien”) against the Property that will be collected in installments in the same manner as and subject to the same penalties, remedies, and lien priorities as real property taxes. In no circumstances will the amount owing on the assessment be accelerated on account of a payment default or for any other reason, but rather any proceeding to enforce the Lien shall be limited to the collection of the amount then currently due with respect to the assessment, including past-due interest, past-due fees, and costs of collection as permitted under the property assessed clean energy act, state tax code, and contracts with local government governing the Program.

* Includes cost of issuance and capitalized interest. PACE may provide financing for up to 110% of the Financing.



**ERICA S. GILMORE
METROPOLITAN TRUSTEE**

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By signing below, Mortgage Holder hereby: (i) acknowledges receipt of timely prior notice of the Financing and Lien, (ii) consents to the Lien in the amount of the Financing; (iii) agrees that the Financing and the Lien will not constitute an event of default or trigger the exercise of any remedies under the loan documents between Mortgage Holder and Property Owner, and (iv) acknowledges that this Consent is being relied on by all parties participating in, lending in or administering the Program.



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Exhibit A
(Legal Description)

DAVIDSON COUNTY C-PACER PROGRAM
GROUND LESSOR CONSENT

Date: _____

Lessor:

LESSOR NAME
LESSOR ADDRESS
LESSOR CITY, STATE, ZIP
PHONE NUMBER

Property Owner and Mailing Address:

OWNER NAME
OWNER ADDRESS
OWNER CITY, STATE, ZIP

Property (as more particularly described in the attached Exhibit A):

PROPERTY ADDRESS
PROPERTY CITY, STATE, ZIP

This is a Ground Lessor Consent (this “Consent”) by the undersigned entity (the “Lessor”) with respect to the above-referenced Property.

The Ground Lessee of the above-referenced Property intends to finance the installation of eligible improvements in an amount of up to **[\$[INSERT MAX TFA]]*** (“Financing”) in order to reduce energy consumption, to reduce water consumption, to increase resiliency, or to install renewable energy systems on the Property by participating in the commercial property assessed clean energy and resiliency (“C-PACER”) program (“Program”) authorized by the Metropolitan Government of Nashville and Davidson County in which the Property is located. Pursuant to the Program, the Ground Lessee has agreed to the levying of an special assessment and lien (“Lien”) against the Property that will be collected in installments in the same manner as and subject to the same penalties, remedies, and lien priorities as real property taxes. Regardless of ownership, the special assessment and lien shall remain on the property until it has been paid in full. In no circumstances will the amount owing on the assessment be accelerated on account of a payment default or for any other reason, but rather any proceeding to enforce the Lien shall be limited to the collection of the amount then currently due with respect to the assessment, including past-due interest, past-due fees, and costs of collection as permitted under the property assessed clean energy act, state tax code, and contracts with local government governing the Program.

By signing below, Lessor hereby: (i) acknowledges receipt of timely prior notice of the Financing and Lien, and (ii) acknowledges that this Consent is being relied on by all parties participating in, lending in or administering the Program.

* Includes cost of issuance and capitalized interest. PACE may provide financing for up to 110% of the Financing.

The undersigned hereby represents that he/she is authorized to execute and deliver this Consent on behalf of Lessor.

Lessor:

[Redacted Signature]

By _____(SEAL)
Name _____
Title _____

STATE OF TENNESSEE)
) ss. _____
COUNTY OF DAVIDSON)

On this the __ day of _____, 2021, before me, a Notary Public of the state and county mentioned, personally appeared _____, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who, upon oath, acknowledged herself to be _____ of _____, the within named bargainer, a _____, and that she as such _____, executed the foregoing instrument for the purpose therein contained, by signing the name of the _____ by herself as _____.

[SEAL]

Notary Public
My Commission Expires:

Exhibit A
(Legal Description)